

SECURITIES AND EXCHANGE COMMISSION  
(Release No. 34-56186; File No. SR-BSE-2006-56)

August 2, 2007

Self-Regulatory Organizations; Boston Stock Exchange, Inc.; Notice of Filing of Amendment No. 2 to the Proposed Rule Change and Order Granting Accelerated Approval of Proposed Rule Change as Modified by Amendments No. 1 and 2 Thereto to Add to the Boston Options Exchange a New Functionality Called an Auto Auction Order

I. Introduction

On December 15, 2006, the Boston Stock Exchange, Inc. (“BSE” or “Exchange”) filed with the Securities and Exchange Commission (“Commission”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> a proposal to amend the Boston Options Exchange (“BOX”) Rules to add a new functionality referred to as an Auto Auction Order (“AAO”) to make it easier for customers to participate in a price improvement auction (“Improvement Auction”). On February 1, 2007, BSE filed Amendment No. 1 to the proposed rule change. The proposed rule change was published for comment in the Federal Register on February 12, 2007.<sup>3</sup> The Commission received one comment letter regarding the proposal.<sup>4</sup> BSE filed a response to the comment letter on June 8, 2007.<sup>5</sup> On June 8, 2007, BSE

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<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> See Securities Exchange Act Release No. 55233 (February 2, 2007), 72 FR 6626 (“Notice”).

<sup>4</sup> See letter to Nancy M. Morris, Secretary, Commission, from Michael J. Simon, Secretary, International Securities Exchange, LLC (“ISE”), dated March 5, 2007 (“ISE Letter”).

<sup>5</sup> See letter to Nancy M. Morris, Secretary, Commission, from William Meehan, General Counsel, BSE, dated June 8, 2007 (“BSE Letter”).





















